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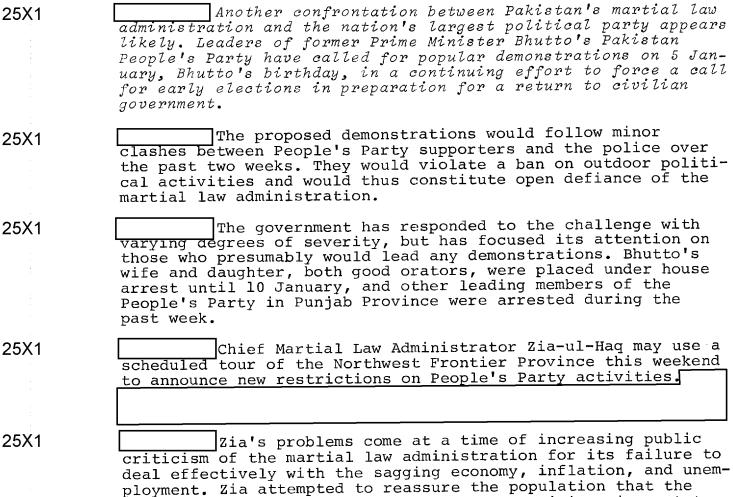
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senior US officials.	
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## PAKISTAN: New Confrontations

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Zia's problems come at a time of increasing public criticism of the martial law administration for its failure to deal effectively with the sagging economy, inflation, and unemployment. Zia attempted to reassure the population that the military will return to the barracks by promising, in a statement on 21 December, to hold elections in 1978. He again emphasized, however, that they could not be held until after the trials of senior officials of the Bhutto regime. Bhutto himself is charged with several crimes, including participation in a political murder.

Zia and his advisers, meanwhile, are obviously concerned over Bhutto's continuing popularity and the inability of Bhutto's civilian political opponents to create a unified

and effective organization with which to contest the eventual elections. Zia and his associates are aware of Bhutto's reputation for vindictiveness, however, and can be expected to continue their efforts to ensure that the former Prime Minister never returns to power.

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	CAMBODIA-VIETNAM: Relations
25X1	//The Cambodian Government announced today that it has severed diplomatic relations with Vietnam, and that air service between Phnom Penh and Hanoi will cease on 7 January. The action reflects Cambodia's frustration at being unable to halt recent Vietnamese advances in fighting in the Parrot's Beak area of the Cambodian-Vietnamese border.//
25X1	//The announcement follows a speech on Friday by Chairman of the State Presidium Khieu Samphan denouncing Vietnamese "aggression" and accusing Hanoi of conducting an "undeclared war" on Cambodia.//
25X1	//Cambodia has vague territorial claims in the border area,
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25X1	//The Cambodians have shown no willingness to ne- gotiate, although Vietnamese spokesmen have told foreigners that Hanoi is prepared to talk.//	
25X1	//The fact that flights between the two capitals will not be halted for another week suggests that Cambodia is not willing to cut its only communications link with Hanoi. Phnom Penh may, however, demand that the Vietnamese withdraw from Cambodian territory before it will reestablish diplomatic relations.//	,
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	BRIEFS	
	Spain	
25X1	The Spanish Government yesterday approved a decree law granting provisional autonomy to the Basque region. Basque leaders approved the agreement in draft form earlier this month, but violence in the Basque provinces delayed a government decree. The decree law is similar to that approved for Catalonia in September. In both cases, the powers of the regional government will be largely symbolic until the new national constitution now being drafted spells out the specific transfer of powers.	
25X1	This long sought step should help to calm the trouble- some Basque provinces, although it may provoke clashes in the province of Navarra, which is bitterly divided over whether to	25X1

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join the Basque region.

France

//Since shortly before Christmas, Paris and other French cities have been hit with a wave of bombings, almost all timed to avoid personal injuries. Several groups ranging across the political and special interest spectrums appear to have been responsible. One recent attack was directed against the home of Communist Party boss Georges Marchais.

in in in tive any which	s in France 1976. The g tinue and i e election- of the maj ch has orde	this year to overnment is ncrease with -which is unlor political red a full-so t the random	more than 550- concerned that the approach of ikely to give a interests. The ale investigati	the number of bomb- up from 480 reports the incidents may the March legisla- clear mandate to Interior Ministry, on, is especially ombings and the pre- combination of fac- ily difficult.
EC				·
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issue.

able departures clause," which in effect sanctions the tighten- ing of import restrictions, suggests continued trouble for world textile trade.//	3
//The EC began pushing for a departures clause in July. In the ensuing months the EC, by threatening to exclude textile exporters from its market, concluded bilateral negotiations with nearly 30 exporting countries. The EC was thus ready in December to support a renewed agreement, but only if its restrictive bilateral agreements were protected by an explicit departures clause.//	
//Other textile importing countries are now following the EC lead and negotiating more restrictive quotas to protect their own industries. The result for major exporting countries—such as Hong Kong, South Korea, and Taiwan—will probably be an increase in unemployment and a slowdown in economic growth. To make up for losses elsewhere, exporters are likely to try to increase shipments to the US.	25X1
The ruler of Kuwait, Emir Sabah, died early today of a heart attack and was immediately succeeded by his nephew, Crown Prince Jabir al-Ahmad al-Sabah. The Emir had been in poor health for several years and had delegated many of his state functions to his nephew, who has been Prime Minister for 12 years. Jabir al-Ahmad, for some time Kuwait's most important policy maker, will probably make no significant departures from established foreign and domestic policiesincluding the oil	

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